

Individual business ethics case analysis assignment

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Women: They are forced to pay higher premiums, then men (high impact); (2) Men: will be negatively affected by the rate because it would be subsidized if the women's rates go down (high impact); (3) Insurance company: are participating in a discredit notary act by charging men less for insurance than they are charging omen. High impact); (4) Other Employers: are influenced because employee-subsidized insurance plans offer all employees same benefit plan (medium impact); (5) Owners/loneliest: are making more revenue by charging the women more than they are charging the men so they are making more money than they should (medium impact); (6) Customer: treatment to women could cause a case and is likely to result in lost future business and bad word-of-mouth publicity (high impact); b.

Non-market Stakeholders: (1) Governments: possible fraud inviting local, state and/or federal government regulation (medium impact); (2)

Communities: community members become victimized and/or vulnerable to dishonest sales tactics by a local business (medium impact); (4) Media: will likely not report a single episode unless there are a large amount of women that go to the press or complain about the unfair rates that they are getting from the company (low impact); (6) General Public: erodes trust in insurance companies to take care of them as far as their health in general (medium impact). 2. What are the central ethical issue(s) and the relevant facts in this case? A.

Central Ethical Issue(s): (1) charging women more for insurance is scrimp notary; (2) Even if they decline maternity coverage they still get charged a high rate. ; (3) risking loss of women altogether, company reputation for integrity and future business which could cause the to loose profit b.

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Relevant Facts: (1) Even if women decline maternity coverage they still get charged e high rate; (2) the wage gap increases in the insurance market, and risked the loss of reputation and future business for company; (3) the insurance company charges women more for health insurance than men 3.

RESULTS: TO what extent do (should) the results Of the action produce ore benefits than costs to stakeholders in the short and long range? (Current: 1/Desired: 6) This case demonstrates extremely unacceptable under-emphasis upon good long-term moral results. A. The insurance companies are charging women more for health insurance compared to men. The profit that the gain from charging women is more than it would be if they charged them the same price as men.

Insurance companies feel that women use health insurance more than men, such as getting checkups, and screenings and women are the only demographic that can have children. There is a wage gap increases because women are forced o pay a higher insurance premium. B. Insurance companies have a short term cost but if the government makes changes that will force companies to charge women and men the same price then there will be a long term cost to the company later in time. 4.

RULES: To what extent do (should) the rules followed to achieve results respect the rights Of others and adhere to standards Of justice and fairness? Are appropriate duties and obligations fulfilled and properly prioritize? Under-emphasis upon following the right moral rules. A. Rights: charging women more is wrong. They should be treated fairly and omen should have equal rates as men. It causes discrimination and it makes a women situation

worse because they are paid less in wages and have to also pay more in insurance rates.

The duty to treat customers with equal respect rather than manipulative disregard. It insults the dignity of women by unilaterally depriving them Of the same rights as men. Paying more money in insurance cost puts a strain on women pockets when there is a large amount that are singe parents. B. Justice: charging women the same amount of money that men are charged would give justice to women. The insurance companies could think Of a better way to accommodate women's premiums rather than charging them 20% to 50% higher rates than men c.

Fairness: Women are not being treated the same as men. They have to pay more money and also have to deal with lower wages then men. The women should be treated equal by getting the same rate as men are rather than charging them more money based on the fact they get more screenings and are able to have children. 5. CHARACTER: To what extent is (should) the character of affected stakeholders enhanced? Are intellectual, moral, social, emotional and political arties (readiness to act ethically) being cultivated or corrupted?

Are individuals becoming better persons through this transaction/relationship? (Current: 2/Desired: 7) This case demonstrates extremely unacceptable under-emphasis upon cultivating virtuous character. A. Personal Character: Is the act of the insurance company towards women. It's mean and not nice to make the women feel like they have to pay more money just because they are not a male. B. Group Character: the insurance

company affects women that have to pay higher premium rates, and it causes women to feel like they are treated unfair. . Leadership Character:

The notable lack of the understanding as a manager to serve as a positive role to women and to set the tone for fairness and practices at work that indicates everyone will be treated fairly rather they are a women or a man.

6. CONTEXT: TO what extent are (should) the intra-organizational and extra-organizational contexts (barrels) supportive Of ethical conduct? (Current: 2/ Desired: 7) This case demonstrates unacceptable under-emphasis upon sustaining an ethically-supportive context. A.

Intra-organizational context: The implicit condoning of charging women ore for insurance than men to make profit and to save money indicates that either a company compliance or ethics development system (with regular reporting of unethical acts without retaliation, a code of ethics, and an ethics audit) does not exist or is not routinely used. Nor is there any indication that performance appraisal and reward subsystems factor unethical ways to achieve results so that unethical practices are penalized and ethical practices are commended.

This lack of an ethically supportive company infrastructure indicates that the workplace moral context is poorly designed and risks the joss Of company reputation. B. Extra-organizational context: The extra-organizational context provides domestic legal and regulatory enforcement of fraud statutes to externally support honest sales transaction practices and related ethical conduct. Sanctioned sales dishonesty also exposes the company to other legal and financial risks under consumer protection laws, the U. S.

The upside would be it would remove a negative role model from the work site and eliminate the risk of future customer complaints and lost business due to discrimination of women. The downside is that it would be that men would pay a lot more money than they are paying now -this could cause people to want to deny insurance and suffer. This could cause the companies to still profit and make money but discrimination would be eliminated, so that there would be justice to the price that women pay. . Resolution B: (Keep the rate the same for men and charge women more) After considering the fact that women do have more needs than men, the insurance companies could argue this fact if the women tried to make this a huge issue. Women are the only demographic that can have kids; women attend more doctor visits, checkups and screenings than men. At this time there are more single mothers so if they have children the risk Of kids getting kick would also cost the insurance companies as well.

The insurance companies can point out that there is only discrimination based on the gender but not based on the needs because women will need the health insurance more than men would. By charging women more in the premiums then they would men would also allow the insurance companies to make profit. 9. What is your proposed resolution? What are your moral justifications for the resolution? To what extent will it enhance judgment integrity capacity? (see Judgment Integrity Capacity Profile) Resolution B is the preferred and proposed resolution. A.

Comprehensive Moral Justification: The moral justifications for the resolution are the following: (1) Results: there are more benefits than costs to Resolution B in the long run because it comprehensively counters that <https://assignbuster.com/individual-business-ethics-case-analysi-assignment/>

women will still be offered insurance and the shareholders can still make their money off of the company (2) Rules: Resolution B requires a statement to the women of why they are charged more and there should be ways to help women if they have more than one child so that their cost of insurance isn't affect their households income (3) Character: Resolution B allows the company to do will help put women with insurance but it also has to think of the company as well so that they will not loose money by lowering the cost of insurance for woman, (4) Context: the rough the ethics audit and ethics commendations the company can measure and motivate its system moral progress and signal that moral integrity is important to protect the reputation capital of the firm. The insurance company will not raise the cost for women premium if they have 3 children or more and by keeping things he way they are it allows women to still have care but at a higher rate then men because of the checkups and screenings that they get more than men do. B. Benefits Of Resolution: Resolution B will directly enhance the capacity for the company to have both client's male and female. If there are changes with the males than there could be an issue.

Keeping the rates the same is not illegal, and can be dine do to the fact that women use more insurance than men. The company will still make money.

10. How will your resolution be implemented, evaluated and improved over time? A. Resolution Implementation and Evaluation processes: Resolution B could be implemented either through internal managerial initiative with employee input or external organizational through the insurance companies. The women and the men would need to show the company how much it affects them as well as the insurance companies need to show the reasons

why they charge women the price of premiums that they charge. If the employees and the insurance companies can talk out the situation then things could shape up.

The women feel that they are being discriminated against, so the insurance company needs to show statistics on why they charge the premium price that they charge. B. Resolution Improvement Processes: Resolution will be improved through regular structured feedback, corrective actions taken when (statistically) warranted, and continual openness shown to incremental and/or breakthrough progress recommendations. Suggestions for improvement would be regularly solicited from stakeholders and incorporated as warranted. Resolution B impacts will be coordinated with other organizational assessment and improvement efforts to promote ongoing business moral progress.